

1-1 By: Bonnen of Brazoria (Senate Sponsor - Huffman) H.B. No. 2999
 1-2 (In the Senate - Received from the House April 24, 2017;
 1-3 May 1, 2017, read first time and referred to Committee on Finance;
 1-4 May 12, 2017, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 10, Nays 0; May 12, 2017,
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12			X	
1-13	X			
1-14	X			
1-15			X	
1-16	X			
1-17			X	
1-18	X			
1-19			X	
1-20	X			
1-21	X			
1-22			X	
1-23	X			

1-24 COMMITTEE SUBSTITUTE FOR H.B. No. 2999 By: Huffman

1-25 A BILL TO BE ENTITLED
 1-26 AN ACT

1-27 relating to the exemption from ad valorem taxation of property
 1-28 owned by certain medical centers in certain counties.

1-29 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-30 SECTION 1. Section 11.23(j-1), Tax Code, is amended to read
 1-31 as follows:

1-32 (j-1) Medical Center Development in Populous Counties. In a
 1-33 county with a population of 3.3 million or more [~~described by~~
 1-34 ~~Section 201.1055(1), Transportation Code~~], all real and personal
 1-35 property owned by a nonprofit corporation, as that term is defined
 1-36 by Section 22.001, Business Organizations Code, organized
 1-37 exclusively for benevolent, charitable, and educational purposes
 1-38 [~~in the Texas Non-Profit Corporation Act (Article 1396-1.01 et~~
 1-39 ~~seq., Vernon's Texas Civil Statutes)~~], and held for use in the
 1-40 development or operation of a medical center area or areas in which
 1-41 the nonprofit corporation has donated land for a state medical,
 1-42 dental, or nursing school, [~~and~~] for other hospital, medical,
 1-43 educational, research, or nonprofit uses and uses reasonably
 1-44 related to those uses [~~thereto~~], for auxiliary uses to support
 1-45 those benevolent, charitable, and educational functions, including
 1-46 the invention, development, and dissemination of materials, tools,
 1-47 technologies, processes, and similar means for translating and
 1-48 applying medical and scientific research for practical
 1-49 applications to advance public health, or for governmental or
 1-50 public purposes, including the relief of traffic congestion, [~~and~~
 1-51 ~~not leased or otherwise used with a view to profit~~], is exempt from
 1-52 all ad valorem taxation [~~as though the property were, during that~~
 1-53 ~~time, owned and held by the state for health and educational~~
 1-54 ~~purposes~~]. In connection with the application or enforcement of a
 1-55 deed restriction or a covenant related to the property, a use or
 1-56 purpose described in this subsection shall also be considered to be
 1-57 a hospital, medical, or educational use, or a use that is reasonably
 1-58 related to a hospital, medical, or educational use.

1-59 SECTION 2. Section 11.23(j-1), Tax Code, as amended by this
 1-60 Act, does not exempt from ad valorem taxation any interest in real

2-1 or personal property, including a leasehold or other possessory
2-2 interest, of a for-profit lessee of property for which a nonprofit
2-3 corporation is entitled to an exemption from ad valorem taxation
2-4 under that subsection.

2-5 SECTION 3. This Act applies only to ad valorem taxes imposed
2-6 for a tax year beginning on or after the effective date of this Act.

2-7 SECTION 4. This Act takes effect January 1, 2018.

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